

FILED

STATE OF INDIANA

FEB 26 2001

INDIANA UTILITY REGULATORY COMMISSION

**In the Matter of the Petition of)
Indiana Bell Telephone Company,)
Incorporated d/b/a Ameritech Indiana)
Pursuant to I.C. 8-1-2-61 For a Three)
Phase Process For Commission)
Review of Various Submissions of)
Ameritech Indiana to Show Compliance)
with Section 271(c) of The Telecommunications)
Act of 1996)**

INDIANA UTILITY REGULATORY COMMISSION

Cause No. 41657

**AMERITECH INDIANA'S RESPONSE TO TIME WARNER'S
STATEMENT OF DISPUTED ISSUE REGARDING
SPECIAL ACCESS SERVICE**

I. Summary of Ameritech Indiana's Position

Time Warner Telecom of Indiana, L.P. ("Time Warner") contends that Special Access services, such as DS1 and DS3 purchased out of Ameritech Indiana's FCC No. 2 Tariff, should be included within the scope of this Section 271 proceeding. Time Warner claims, that because Special Access services are the "functional equivalent" of unbundled loops and unbundled transport (which are Section 271(c)(2)(B) checklist requirements), that Special Access service should be treated in a manner equivalent to unbundled network elements ("UNEs") and, therefore, should be included in UNE performance measures and associated remedy plan. In the alternative, Time Warner alleges that including Special Access services in UNE performance measurements should be considered by the Indiana Utility Regulatory Commission ("Commission") as part of the "public interest" component of Section 271(d)(3)(C).

Time Warner's request should be denied because it is in conflict with controlling precedent and inconsistent with the purpose of this proceeding—to review Ameritech Indiana's

compliance with Section 271(c) of the Telecommunications Act of 1996. Claims or concerns regarding Special Access services are outside the scope of a Section 271 review. CLEC efforts to introduce identical Special Access tariff issues into 271 proceedings have been routinely rejected by the Federal Communications Commission ("FCC"). Of course, if Time Warner believes that Ameritech Indiana is failing to meet its Special Access services tariff obligations it can bring a compliance action at the FCC or with this Commission (if the services are purchased from an intrastate tariff). However, Time Warner's attempt to interject extraneous Special Access tariff matters into this proceeding must be rejected based on plain terms of Section 271 and controlling FCC precedent.

II. Ameritech Indiana's Provisioning of Special Access Services Should Not Be Included in Either the Third Party OSS Evaluation or the Performance Measures under Review in This Section 271 Proceeding.

During the Master Test Plan collaborative discussions in Indiana, Time Warner requested that Ameritech Indiana's "HI-CAP" Centers that provision high capacity Special Access services be included in the Third Party OSS Evaluation in this proceeding.¹ Ameritech Indiana objected because Special Access services are outside the scope of this proceeding. Time Warner's "Statement of Disputed Issue," filed on February 21, 2001, fails to articulate any reason why these HI-CAP Centers should be tested, but instead alleges that Special Access Services should be included within the performance measures applicable to UNEs that are being reviewed in this proceeding.² Time Warner's request must be rejected because it is beyond the

¹ This is documented as Issues 11 and 33 in the February 13, 2001, Indiana MTP Version 0.4 Issues matrix. Ameritech's HI-CAP Centers have been operational since access services were implemented in the early 1980's and, over the past decades, have handled significant commercial volumes of Special Access services.

² The parties agree on the Performance Measures applicable to UNEs and other checklist requirements. See Joint Petition filed with the Commission on December 27, 2000.

scope of this proceeding and in conflict with both the competitive checklist and public interest requirements of Section 271.

A. The Purpose of this Proceeding is to Review Section 271 Compliance. This is not a Special Access Services Tariff Investigation.

As the Commission well knows, the purpose of this proceeding is to provide it with an adequate basis to submit meaningful comments to the FCC when Ameritech Indiana files an application with the FCC for in-region interLATA authority pursuant to Section 271 of the Telecommunications Act of 1996. The Commission correctly defined its role and the purpose of this proceeding as follows:

The IURC's role in this proceeding is largely determined by Section 271(d)(2)(b), which requires the FCC to consult with the relevant state commission to verify whether the BOC has one or more approved interconnection agreements with a facilities-based competitor, or a statement of generally available terms and conditions ("SGAT"), and that either the agreements or the SGAT satisfy the 14-point competitive checklist outlined in Section 271(c)(2)(B).

Through its orders concerning past 271 applications, the FCC has effectively developed a significant role for the state commissions in this type of proceeding. Specifically, the state commissions have been delegated an essential role as the creator of the initial record upon which the FCC's review of a BOC's compliance with the Section 271 checklist will be based. Furthermore, "where the state has conducted an exhaustive and rigorous investigation into the BOC's compliance with the checklist, we [the FCC] may give evidence submitted by the state commission substantial weight in making our decision."³

The Commission is also aware that the immediate purpose of this phase of the proceeding is scope of the Indiana MTP and the evaluation of Ameritech Indiana's OSS functionality for competitive checklist compliance—not its compliance with FCC Special Access tariffs, or efforts to modify the terms of those Special Access tariffs. Time Warner simply ignores this very clear focus. And, as shown below, the Commission should reject Time Warner's attempt to expand the horizons of this Section 271 proceeding.

B. The FCC Has Held That Special Access Services are Outside the Scope and Not Relevant to a Review of Compliance with the Competitive Checklist in Section 271(c)(2)(B).

Time Warner concedes that Special Access is “not specifically mentioned in Section 271.” (Time Warner Brief at 3.) Nonetheless it argues that because Special Access uses components that are the “functional equivalent” of unbundled loops and unbundled transport, which are checklist requirements, that somehow Special Access should also be included in the Section 271 competitive checklist. (Time Warner Brief at 3.) Therefore, Time Warner claims that Special Access Services, provided by Ameritech Indiana under its FCC No. 2 interstate access tariff, should also be included in the performance metrics and benchmarks that Ameritech Indiana offers for unbundled network elements pursuant to interconnection agreements.

Time Warner’s argument, however, ignores the fundamental distinctions between Special Access services and UNE offerings that underlie these very different offerings. These statutory, policy and product distinctions have not been lost on the FCC, however. The FCC has consistently rejected CLEC assertions, identical to Time Warner’s claim here, that Bell operating company Special Access service offerings should be considered within the scope of Section 271 checklist compliance.

Although, the FCC has recognized that interstate access is a tariffed point-to-point service offering that on a functional level is of course equivalent to the sum of its underlying parts or elements, it has never found that equivalency on a product level.⁴ The fundamental distinction is both simple and of critical importance. Special Access services are a tariffed

³ August 29, 2000 Order in Cause 41657, at p. 2, emphasis added, footnotes deleted.

offering to carriers, while the provisioning of the UNEs are mandated wholesale offerings. Moreover, because regulatory policy considerations underlying access service offerings, such as universal service considerations, are reflected in the terms and conditions of access services but not in the terms and conditions of wholesale UNE and resale offerings, which reflect very different policy considerations, Special Access services should not be treated the same as the combination of its functional UNE equivalents.

Likewise, when Ameritech Indiana offers its Special Access services it does so on rates, terms and conditions it establishes and offers via its access tariffs. Those prices, terms and conditions reflect the business and regulatory policies that relate to those access service offerings. As Mr. Fioretti describes in his testimony attached hereto as Exhibit A, there are also operational differences, including interfaces for special access services and UNEs. (*Id.*) He describes how UNEs and special access services are provisioned and maintained via different and separate processes. (*Id.* at 4,5.) In short, Ameritech Indiana's performance for Special Access services is solely a matter of tariff compliance, it has nothing to do with Section 271 checklist compliance, nor should it.

Unlike Time Warner here, the FCC recognizes these differences between Special Access and UNEs. For example, in December, 1999, when the FCC approved Bell Atlantic's New York's Section 271 application, it refused to "accept the assertion by a number of these parties that the provision of special access should be considered for determining checklist compliance in

⁴ See Memorandum Opinion and Order, Application by Bell Atlantic New York for Authorization Under Section 271 of the Communications Act to Provide In-Region, InterLATA Service in the State of New York, CC Docket No. 99-295, (1999) at ¶ 340 and note 1050 ("Bell Atlantic New York Order".)

this proceeding.”⁵ The FCC reasoned that although dedicated local transport and the interoffice portion of special access are generally provided over the same facilities, they differ in a number of respects. The FCC noted that special access is a service offering as opposed to a UNE and that while local transport is provided between the telephone company’s wire centers or switches, with special access at least one end of the transmission facility is located at a customer’s premises. It concluded that checklist compliance proceedings are not intended to encompass the provision of access services simply because those services use some of the same components or physical facilities as a checklist item.

Six months later, when the FCC approved SBC’s Texas Section 271 application, it reaffirmed that position in response to the identical claim Time Warner raises here: “As we found in the *Bell Atlantic New York Order*, we do not consider the provision of special access services pursuant to tariff for purposes of determining checklist compliance.”⁶ More recently, the FCC did not specifically address this issue when it approved SBC’s Kansas and Oklahoma Section 271 applications just a month ago, but that is because no party any longer claimed that Special Access services should be included in a Section 271 checklist review.

Time Warner fails to distinguish this controlling precedent and that is, of course, because it can not be distinguished. There is no reason, nor does Time Warner offer one, why the identical claim routinely rejected by the FCC in its prior Section 271 Orders should not also be rejected by this Commission in this Section 271 checklist compliance case. The FCC authority

⁵ *Bell Atlantic New York Order* at ¶ 340.

⁶ See Memorandum Opinion and Order, *In the Matter of Application of SBC Communications, Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance Pursuant to Section 271 of the Telecommunications Act of 1996 to provide In-Region, InterLATA Services in Texas*, CC Docket No. 00-65 (Rel. June 30, 2000 at ¶ 335 (“SBC Texas Order”).

Time Warner that does rely upon is inapposite. (Time Warner Brief at 2-3). The *UNE Remand Order* supports Ameritech Indiana's position that Special Access services are clearly different from unbundled network elements, and are based on significantly different regulatory policies. The FCC's recent *Public Notice* released on January 24, 2001, in the *UNE Remand* proceedings is just that, a Notice seeking comments. It in no manner reverses the FCC's clear 271 precedent.

Therefore, because the FCC has determined that Special Access service provided pursuant to tariff is not a checklist requirement, neither as a local loop nor as local transport, this Commission cannot expand the competitive checklist, as Time Warner requests, to include Special Access service. Congress has determined the scope of the Section 271 competitive checklist and neither the FCC, nor this Commission, nor Time Warner, have the authority to "extend the terms used in the competitive checklist set forth in subsection (c)(2)(B)."⁷

C. Special Access Service Claims or Concerns Are Also Outside the Scope of the "Public Interest" Inquiry in Section 271(d)(3)(C).

Implicitly conceding there is no valid claim that Special Access service is a Section 271 checklist requirement, Time Warner argues that this Commission should not be "constrained" by that statutory limitation, but rather should require that Special Access service be considered a Section 271 requirement under the public interest section in Section 271(d)(3)(C). (Time Warner Brief at 4.) Again, however, the FCC has rejected that identical request. In its *Bell Atlantic New York Order*, the FCC not only concluded that Special Access service was outside the scope the checklist requirements it also held: "we also conclude that there is no need to consider the provision of special access in the context of the public interest requirement."⁸ Again, this

⁷ 47 USC Section 271(d)(4).

⁸ See *Bell Atlantic New York Order*, *supra* at ¶ 340, note 1052.

precedent is binding on this Commission's investigation into Ameritech Indiana's compliance with Section 271.

While Time Warner implies that there are discrimination concerns between special access service and UNEs, this is inconsistent with the FCC's refusal to equate Special Access and UNEs in Section 271 proceedings, as well as with the very nature of access services and UNEs. As noted above, the pricing, terms and conditions associated with Special Access service are not the same as the sum of the functionally equivalent UNEs. As a result, Special Access service and UNEs represent *different choices* for carriers with tradeoffs based on those different prices, terms and conditions. It is unreasonable for Time Warner to ignore all of those distinctions when it comes to performance measurements and remedies. Rather, the relevant concern as to Special Access service is whether it has been provided in a manner that is consistent with the relevant tariff and does not unreasonably discriminate in the provision of service to one special access customer relative to another.⁹ Accordingly, for Special Access services, Section 271 OSS performance measures are simply not relevant.

In any event, and contrary to Time Warner's statements, Ameritech Indiana does maintain and provide to its Special Access carrier customers, including Time Warner, relevant tariff compliance performance data. Mr. Fioretti's testimony lists the provisioning, maintenance and other data provided to Special Access customers. (Fioretti at 7,8) Such data permits the carrier to determine if Ameritech Indiana is meeting the terms of the Special Access service tariff offering. Mr. Fioretti also demonstrates that Ameritech Indiana is most certainly incented to

⁹ Time Warner refers to access service proceedings in New York and Minnesota. (Time Warner Brief 5-6.) Contrary to the implication raised in Time Warner's brief, these proceedings are **not** Section 271 competitive checklist investigations. Rather they are investigations into the terms and conditions of tariff service offerings. If this Commission believes an investigation into the provision of access service is necessary, it of course, can undertake such an inquiry. Those questions, however, are clearly outside the scope of this Section 271 docket.

provide high quality Special Access services to carriers. (*Id.*) He testified that Ameritech Indiana provides automatic credits to Special Access carrier customers under its FCC No. 2 tariff both when installation and/or service restoration intervals are not met or when service interruptions occur. (*Id.* at 5-6.) Thus, carriers cannot be “singled out” for disparate treatment, as Time Warner would like the Commission to believe. (Time Warner Brief at 4, 6-8.)

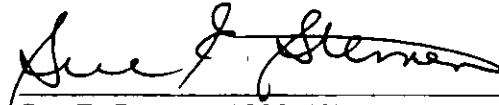
Finally, as Time Warner acknowledges, it is using Special Access as a local service entry vehicle based on its unique market entry strategy. (Time Warner Brief at 7-8.) In so doing, it has certain benefits not available to carriers that use UNEs as their market entry vehicle. For example, unlike those employing a UNE entry strategy, CLECs using Special Access need not certify substantial local traffic levels. As the Commission knows, such certification has been required by the FCC to assure continued fulfillment of universal service policy objectives which are reflected in the terms and conditions of Ameritech Indiana’s Special Access services but not in its wholesale UNE/resale offerings.¹⁰ If the CLECs using Special Access as a local market entry strategy now wish to be treated as the “functional equivalent” of wholesale UNE customers, they need only to certify their traffic levels and request that the existing Special Access Circuits be converted to an existing UNE loop-transport combination. At that point, the performance measures applicable to UNEs will be made available to them. On the other hand, if they choose to continue to purchase Special Access services from Ameritech tariffs, then the terms and conditions in those tariffs, including service performance and service credits, will apply. This is not some violation of the public interest or some form of discrimination as Time Warner claims; rather it is simply called freedom of choice.

¹⁰ Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98, Supplemental Order, FCC 99-370, at ¶¶ 405 (rel. Nov. 24, 1999).

III. CONCLUSION

For the reasons discussed above, and as demonstrated in the testimony of Mr. Fioretti, Ameritech Indiana respectfully requests that the Special Access disputed issue be resolved in its favor and that Time Warner's request be denied.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sue E. Stemen", written over a horizontal line.

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served electronically upon the following this 26th day of February, 2001.

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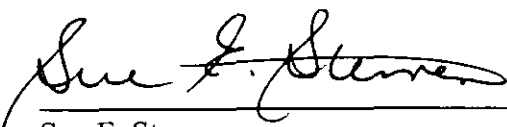
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SPECIAL ACCESS DISPUTED ISSUE
TESTIMONY OF SALVATORE FIORETTI
ON BEHALF OF
AMERITECH INDIANA

Q. Please state your name, title and business address.

A. My name is Salvatore Fioretti. I am employed by SBC/Ameritech as Director – Performance Measures – Long Distance Compliance. My business address is 2000 W. Ameritech Center Drive, Location 4G48, Hoffman Estates, IL 60196.

Q. What are your duties and responsibilities in that capacity?

A. My responsibilities include representing SBC/Ameritech and its operating companies in state sponsored collaborative workshops on performance measurements, working with internal subject matter experts to develop policy and positions for those companies with regard to the measurement of wholesale performance, and managing the implementation of performance measurements and remedy plans. I am also involved in the preparation and distribution of

periodic performance reports and the analysis of performance results. Finally, I work with third-party auditors with respect to testing and audits of the performance data.

Q. How long have you served in that capacity?

A. Since June 1999.

Q. What is your professional experience?

A. Prior to assuming my present position, I worked as the Director of Service - National Accounts for Ameritech Information Industry Services (AIIS) from August 1996 to June 1999. In that position, I worked with CLECs on operational issues on a day to day basis. I also presented our proposals for performance measurement and performance results in face-to-face meetings with AT&T, MCI, and Sprint as well as with other carriers.

Prior to August 1996, I was a member of Ameritech's corporate Information Technology Group and managed the development and implementation of its OSS and measurement processes and systems. Overall, I have had 22 years experience in telecommunications with Ameritech in Network Installation and Maintenance, Network Staff and Information Technology positions.

Q. What is your education?

A. I earned a Bachelor of Business degree from Western Illinois University in 1978 and the degree of Masters in Business Administration from the Keller Graduate School, Chicago, Illinois, in 1988.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to respond to the disputed issue raised by Time Warner Telecom regarding the inclusion of Special Access services (specifically hi-cap services DS1/DS3) into the performance measurements and remedy plan established to show compliance with Section 271 of the Telecommunications Act of 1996. As I demonstrate below, that the request should be denied.

Q. What is the nature of the dispute regarding Special Access Services?

A. The dispute is regarding whether special access services, purchased out of the FCC No. 2 tariff, should be included as a product disaggregation in the performance measures and the associated remedy plan designed for UNEs and resale. Time Warner proposes that these access services should be included with the same measurement objectives as the equivalent UNEs. It is Ameritech Indiana's position that the 271 performance measurements and remedies were implemented to measure Ameritech's compliance with the specific requirements established by the FCC for local service related activities (UNEs and resale) and not for special access services.

Q. What is your understanding of the purpose of this proceeding?

A. It is my understanding that this proceeding (Cause No. 41657) relates to the investigation into Ameritech Indiana's entry into in-region InterLATA service under section 271 of the Telecommunications Act of 1996. This issue specifically relates to the performance measurements to be implemented in order to demonstrate the non-discriminatory provision of OSS to CLECs as required by the FCC pursuant to section 271 of the Act.

Q. Are access services ordered, provisioned, and maintained in the same manner as UNEs and resale?

A. No.

Q. Please describe the differences in the way that access services are ordered, provisioned, and maintained as compared to UNEs and resale?

A. First, inter-state special access services are purchased under the FCC tariff rather than from the terms of an interconnection agreement or a resale or unbundled network element tariff. Second, the interfaces between the carriers and SBC/Ameritech for special access are different than for their UNE and resale counterparts. Third, they are provisioned and maintained via different, separate processes than the equivalent UNE products. Access Services are ordered via the ASR (Access Service Request) process through the ASC (Access Service Center) while their UNE counterparts are ordered via the LSR (Local Service Request) process from the LSC (Local Service Center). Different processes support these products because they are intended for different customers (Access Carriers) and for use in

the provision of access services, as opposed to UNEs, which are used to provide CLEC local services.

Q. Do you agree with Mr. Kagele's characterization of Special Access DS1 and DS3 services as being "functionally equivalent" to UNE DS1 and DS3 dedicated transport Unbundled Network Elements (UNEs)?

A. Not entirely. On page 2 of his testimony, Mr. Kagele states that "Special Access DS1 and DS3 services, UNE DS1 and DS3 and/or resale DS1 and DS3 services offer a combination of functionally equivalent, dedicated transport and loop network elements used to deliver a mixture of intrastate and interstate traffic to CLEC end user customers." While I generally agree with that statement as a functional matter, the key point made by Mr. Kagele are the differences between the two. As Mr. Kagele correctly concedes, UNE products are network elements, that by themselves do not provide a service. The CLEC uses or combines UNE products with other network elements to provide its own unique brand of telecommunications service as contemplated under the Act. Special Access services, on the other hand, are not UNEs; rather, they are distinctly different. They are Ameritech Indiana's services (*i.e.*, a point to point transmission service) that provide an end-to-end service to its carrier customers.

Q. Do CLECs have a choice between UNEs and Special Access?

A. Yes, after the 1996 Telecommunications Act was passed, CLECs had a number of different local entry options. Those CLECs who utilize Special Access in the provision of local service do so by virtue of their own business decision, choosing a configuration which utilizes Ameritech Indiana's end-to-end service rather than combining the individual Unbundled Network Elements (dedicated transport and UNE loops) that are available to the CLEC on an unbundled basis.

Q. Should Special Access performance measurements be considered in this Section 271 docket?

A. No, they have nothing to do with Ameritech Indiana's provision of UNEs as required by the checklist in Section 271. The evaluation of Ameritech's performance with respect to section 271 should not be subject to the CLEC's independent business decision to utilize a Special Access service instead of the individual Unbundled Network Elements that comprise it.

Q. Are you aware of whether the FCC has addressed whether Special Access service should be included within a Section 271 checklist review?

A. Yes. The FCC has specifically rejected the inclusion of special access in 271 proceedings. In Bell Atlantic's 271 (and subsequently in Texas) proceeding, the FCC stated:

"We do not believe that checklist compliance is intended to encompass the provision of tariffed interstate access services simply because these services use some of the same physical facilities as a checklist item. We have never

considered the provision of interstate access services in the context of checklist compliance before.”¹

Q. Does Ameritech provide CLECs with service performance measurements relative to the Special Access Services provided to them by Ameritech Indiana?

A. Yes. The specific areas for which Ameritech provides performance data to carriers are as follows:

Provisioning

- Percent of Orders not completed by Customer Desired Due Date
- Percent of orders not completed by Due Date
- Customer Not Ready – Inter Exchange Carrier Caused
- Customer Not Ready – Independent Company Caused
- Customer Not Ready – Customer Caused
- Total Customer Not Ready Percentage
- Percent Add (new) Orders with Customer Network Trouble Report within 30 Days of Complete Date

Maintenance

- Repair Frequency – Reports per 100 circuits
- Repair Restoral – Average Duration of Network Customer Trouble Reports

¹ FCC Memorandum Opinion and Order, CC Docket No. 99-295, Application of Bell Atlantic New York for Authorization Under Section 271 to Provide In-Region, InterLATA Service In New York at ¶ 340. See also FCC Memorandum Opinion and Order, CC Docket No. 00-65, Application of SBC Communications, Inc., Southwestern Bell Telephone Company et al for Authorization Under Section 271 to Provide In-Region, InterLATA Service In Texas at ¶ 335 (*Reaffirming that provision of special access services pursuant to tariff is not relevant to 271 compliance*).

- Time To Restore ≤3 Hours for a Measured Network Customer Trouble Report
- Percent Repeated Network Customer Trouble Reports within 30 days

Other

- Percent Electronically Bonded Troubles
- Percent Network Availability (availability of circuits)
- Percent Non-Productive Troubles

Upon request, the SBC/Ameritech Account Team will provide CLECs performance data for services that they purchase, for each of these measurements disaggregated by service type. Service Type disaggregations are defined as Special/designed (DS3, DS1, DDS, and VGPL), Carrier (T3 and T1), and OCN (Sonet).

Q. Time Warner contends that Ameritech lacks incentive to improve performance with respect to Special Access Services. Do you agree with his conclusion?

A. No I do not. First and foremost, it must be remembered that Special Access is an Ameritech Indiana service. Its reputation and good name is on the line each day it provides those services to carriers. Ameritech Indiana profits from its sale of those services and it naturally seeks to maximize its revenue from that product. Carriers have readily available alternatives for these services and therefore, Ameritech Indiana is very directly incented to provide high quality service. Ameritech also has a number of other incentives to provide high quality special access services to CLECs. For example, if high quality service is not provided,

service credits are available to carriers. There are three areas where Ameritech provides credits to customers with regard to the performance in the provisioning and maintenance of Special Access Services. They are:

- The Enhanced Performance Assurance Program, Section 7.4.16, page 309.12.1 of the FCC No. 2 Tariff. This program provides an on time installation, installation interval, and service restoration assurance program to customers who purchase Special Access DS0 and non-channelized (point-to-point) DS1 services. The program establishes certain installation and repair performance parameters, and provides credits to customers, as specified herein, in the event that these performance parameters are not met.
- The Installation Interval Guarantee provided for in Section 7.4.15 page 309.12 of the FCC No. 2 Tariff. This guarantee applies to DS1, DS3, Base Rate and Direct Analog and Digital Services. This guarantee involves a credit of nonrecurring charges where Ameritech fails to meet the installation interval service date as specified in Ameritech Interval Guide Publication AM-TR-MKT-000066.
- The Credit For Service Interruption, Section 2.4.4, page 47.1 of FCC No. 2 Tariff. This guarantee provides credit to customers for service interruption.

Q. How are these credits provided to customers?

A. All three guarantees provide for the automatic application of credits to the customers when the committed objectives are not met. According to the tariff, performance for the Enhanced Performance Guarantee is calculated on a quarterly

basis. Except for the 4th quarter of 2000, Ameritech has met the committed levels of service on a quarterly basis, since the tariff went into effect in 1997.

Ameritech is currently in the process of calculating credits for all customers who installed service for that period as required by the Enhanced Performance Guarantee.

The Installation Interval Guarantee and the Credit for Service Interruption are structured differently than the Enhanced Performance Guarantee, as they are calculated and applied on an order and trouble report basis. The Access Service Center (ASC) receives a report of missed due dates and for troubles with extended out of service duration from Network once each week. The ASC then utilizes a mechanized tool that calculates the adjustment amount and then issues the adjustment without the need for carrier customer request or intervention.

Q. In your opinion, are the CLECs at a competitive disadvantage if special access measurements are not included in the 271 performance measurements and remedy plan?

A. No, I don't believe they are. Ameritech has established a well-defined set of performance measurements for Special Access Services that are available through the Account Team. Aggregate Ameritech performance is measured and remedies (credits) for not meeting objectives are calculated and applied to carriers' bills. This program is available in all five Ameritech states and does not discriminate by customer. It is applied to any party that purchases these services from the FCC No. 2 tariff.